

Joint Legislative Economic Development and Global Engagement Oversight Committee

April 7 2016

Distress and Success Determination Proposed Scope of Work

Brent Lane, Director
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2009 Incentives Study Committee Recommendations

- ☒ Eliminate most tax credits effective 2010
- ☒ Reduce corporate tax rate to competitive rate
- ☒ Address systemic economic policy factors
- ☒ Institute legislative oversight function (EDGE)
- ☐ Expand JDIG and One NC programs targeted to high impact firms in distressed counties

Purpose

Distress and Success Determination

- EDGE committee workgroup to identify resolutions to Tier definition issue and address application to economic development goals

Proposed Scope of Work

1. Economic Distress Criteria Determination
2. Adjustment Factors Analysis
3. Tier Structure Utility
4. Economic Development Progress Assessment

Proposed Work Plan

Economic Distress Criteria Determination

- current factors adequacy
- proposed factors value contribution
- supplemental and alternative factors

Proposed Work Plan

Adjustment Factors Analysis

- Population levels, poverty rate, etc.
- Retention, alteration or elimination?

Tier Structure Utility

- Accuracy of tier economic categorization?
- Usefulness of tier retention or revision?

Proposed Work Plan

Economic Development Progress Assessment

- What are our state and regional economic goals?
- What outcomes must be achieved to reach those goals, especially in our distressed areas?
- What economic development results yield most progress toward NC's economic priorities?
- What legislative actions or policy changes would aid implementation toward economic goals?

Work Structure

- EDGE subcommittee to meet monthly between May and December 2016
- Progress briefings to the full EDGE committee and other legislative bodies as desired
- January 2017 final report to the full EDGE committee
- Contract with UNC Center for Competitive Economies to provide coordination and research

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